United Nations E/ICEF/1999/AB/L.13

Economic and Social Council

Distr.: Limited
2 July 1999

Original: English

United Nations Children's Fund
Executive Board
Second regular session 1999
7–10 September 1999
Item 13 of the provisional agenda*

For information

Private sector division**

Financial report and statements for the year ended 31 December 1998

Summary

This document presents the results of the UNICEF Private Sector Division (PSD) for the year ended 31 December 1998. As a result of the change in the PSD fiscal year in 1997, the comparative numbers for 1997 in the present document relate to an interim eight-month reporting period.

The total net operating income from PSD activities for the year was $180.1 million for general resources, compared to $93.5 million in 1997. The total net income for 1998 includes $56.5 million from the sale of UNICEF greeting cards and other products, $131.4 million from private sector fund-raising activities and an offset of $7.8 million for other charges and adjustments. In addition, $92.5 million ($64.2 million in 1997) were raised from private sector fund-raising activities which were earmarked for supplementary-funded projects.

* E/ICEF/1999/15.
** Effective 1 February 1998, Greeting Card and related Operations became the Private Sector Division.

99-19749 (E) 020899

Contents

		Paragraphs	Page
Foreword			3
Financial report for the year ended 31 December 1998		1–44	4
A.	An overview of the results	1–3	4
B.	Financial statements for the year ended 31 December 1998	4	4
Statement I.	Statement of income and expenditure for the year ended 31 December 1998		5
Statement II.	Statement of assets, liabilities and surplus as at 31 December 1998		6
Statement III.	Statement of the results for the year ended 31 December 1998 compared with the approved budget		7
C.	Notes to the financial statements	5–44	8

Foreword

I am pleased to report that in 1998 the Private Sector Division (PSD) achieved a net contribution to UNICEF general resources income of $180.1 million.

This is due to the work of hundreds of thousands of individuals around the world. We are grateful to the National Committees for UNICEF and other cooperating groups whose staff and volunteers sold UNICEF cards and other products; to the hundreds of artists, museums and art collectors whose works were made available, at no charge, for greeting card designs; and to the millions of individuals who purchased UNICEF cards and other products and who donated their time and money to the cause of UNICEF throughout the period. Equally important, the above achievements became possible because of the successful fund-raising efforts undertaken by the National Committees for UNICEF and UNICEF field offices, and the millions worldwide who responded with their individual contributions.

(*Signed*) Carol **Bellamy**
Executive Director

Financial report for the year ended 31 December 1998

A. An overview of the results

1. The total net income contribution to UNICEF general resources from PSD activities was $180.1 million. This compares with $93.5 million in 1997, an increase of $86.5 million (92.5 per cent). The contribution consists of $56.5 million net operating income from the sale of UNICEF greeting cards and other products; $131.4 million net operating income from private sector fund-raising activities and an offset of $7.8 million for other charges and adjustments. The other charges and adjustments include Market Development Programme (MDP) expenditure ($2.4 million), Fund-raising Development Programme (FDP) expenditure ($6.4 million), unfavourable exchange rate adjustment ($3.3 million) and favourable prior years' adjustments ($4.3 million).

2. Gross proceeds from the sale of UNICEF greeting cards and other products amounted to $137.9 million compared to $147.1 million in 1997. In total, 147 million cards were sold in 1998, the same as in 1997. The net operating income from the sale of UNICEF greeting cards and other products in 1998 was $56.5 million (41.0 per cent of gross proceeds), compared to $64.8 million (44.1 per cent of gross proceeds) in 1997. The shortfall was due primarily to the negative impact of the continued strength of the United States dollar.

3. The net operating income from private sector fund-raising activities related to general resources was $131.4 million in 1998 compared to $37.5 million in 1997, an increase of $94.0 million. This increase was due to the longer accounting period in 1998 (12 months versus 8 months in 1997). In addition, $92.5 million were raised from private sector fund-raising activities, which were earmarked by partners for allocation to supplementary-funded projects, compared to $64.2 million in 1997.

B. Financial statements for the year ended 31 December 1998

4. The three financial statements that follow are supported by the notes to the financial statements, including a summary of significant accounting policies (paras. 6–15), which are considered an integral part of the financial report.

STATEMENT I

Statement of income and expenditure for the year ended 31 December 1998

(In thousands of United States dollars)

	Note	31 December 1998	%	31 December 1997 b/	%	Variance Increase/(decrease)	%
Gross proceeds - PSD products	3	137,873	100.0	147,118	100.0	(9,245)	(6.3)
Less: Retention/commissions and direct expenses at field offices	4	36,070	26.2	36,580	24.9	(510)	(1.4)
Net proceeds		101,803	73.8	110,538	75.1	(8,735)	(7.9)
Less: Cost of goods delivered	5	27,794	20.2	31,280	21.3	(3,486)	(11.1)
		74,009	53.7	79,258	53.9	(5,249)	(6.6)
Less: Operating costs	6	22,320	16.2	14,599	9.9	7,721	52.9
Provision for uncollectible accounts receivable	7	1,041	0.8	969	0.7	72	7.4
		50,648	36.7	63,690	43.3	(13,042)	(20.5)
Add: Other income	8	5,886	4.3	1,144	0.8	4,742	414.5
Net operating income - PSD products	9	56,534	41.0	64,834	44.1	(8,300)	(12.8)
Net operating income - Private sector fund-raising a/	10	131,442		37,477		93,965	250.7
Less: Other charges							
Market Development Programme	11	2,429		2,334		95	4.1
Fund-raising Development Programme	12	6,420		6,135		285	4.6
Central and Eastern European National Committees Development Programme	13	41		382		(341)	(89.3)
Total net operating income	14	179,086		93,460		85,626	91.6
Less: Exchange rate adjustment	15	3,330		1,875		1,455	(77.6)
Prior years' adjustments(gain)	16	(4,316)		(1,944)		(2,372)	122.0
Total net income	17	180,072		93,529		86,543	92.5

The accompanying notes form an integral part of this statement and should be read in conjunction with it.

a/ Excluding $92.5 million allocated to supplementary funds compared to $64.2 million in 1997. This is shown in the UNICEF financial report.

b/ Due to a change in the PSD fiscal year, 1997 covers the eight-month period 1 May - 31 December 1997.

Ellen Yaffe, Comptroller
(Signed)

Carol Bellamy, Executive Director
(Signed)

STATEMENT II

Statement of assets, liabilities and surplus as at 31 December 1998

(In thousands of United States dollars)

	Note	As at 31 December 1998		As at 31 December 1997		Increase/(decrease)	
ASSETS							
Cash	18		192		1,107		(915)
Accounts receivable	19	158,959		147,278		11,681	
Less: Allowance for exchange rate fluctuation and uncollectible accounts		16,282		15,752		530	
Net accounts receivable	20		142,677		131,526		11,151
Inventory	21		3,707		6,018		(2,311)
Prepaid expenses	22		92		141		(49)
Capital assets, net of accumulated depreciation	23		822		1,164		(342)
TOTAL ASSETS			147,490		139,956		7,534
LIABILITIES							
Accounts payable	24	11,279		11,039		240	
UNICEF inter-office account	25	136,211		35,388		100,823	
TOTAL LIABILITIES			147,490		46,427		101,063
SURPLUS	26		-		93,529		93,529
Total liabilities and surplus	27		147,490		139,956		194,592

The accompanying notes form an integral part of this statement and should be read in conjunction with it.

Ellen Yaffe, Comptroller ***Carol Bellamy, Executive Director***

STATEMENT III
Statement of the results for the year ended 31 December 1998 compared with the approved budget (In millions of United States dollars)

	Actual	Approved budget a/	Variance Increase/(decrease) $	Variance Increase/(decrease) %
Income				
Gross proceeds - PSD products	137.9	157.0	(19.1)	(12.2)
Less: National Committees' retention b/	30.3	33.6	(3.3)	(9.8)
Net proceeds	107.6	123.4	(15.8)	(12.8)
Add: Other income	5.9	6.5	(0.6)	(9.2)
Total net proceeds - PSD products	113.5	129.9	(16.4)	(12.6)
Net proceeds - private sector fund-raising	138.4	133.0	5.4	4.1
Total income	251.9	262.9	(11.0)	(4.2)
Expenditures				
Director's Office	0.6	0.7	(0.1)	(14.3)
Marketing	50.0	65.6	(15.6)	(23.8)
Market Development Programme	2.4	2.8	(0.4)	(14.3)
Fund-raising Development Programme	6.4	7.8	(1.4)	(17.9)
Operations and Finance	11.9	13.6	(1.7)	(12.5)
PSD share in UNICEF administrative costs	0.4	0.6	(0.2)	(33.3)
Central and Eastern European National Committees Development Programme	0.1	0.1	-	-
Total expenditures	71.8	91.2	(19.4)	(21.3)
Total net income before adjustments	180.1	171.7	8.4	4.9
Adjustments				
Provision for doubtful accounts	1.0	-	1.0	-
Exchange rate adjustments	3.3	-	3.3	-
Prior years' adjustments	(4.3)	-	(4.3)	-
Total net income after adjustments - general resources	180.1	171.7	8.4	4.9
Add: Supplementary funds - private sector fund-raising	92.5	107.0	(14.5)	(13.6)
Total net revenues - general resources and supplementary funds	272.6	278.7	(6.1)	(2.2)

a/ In accordance with Executive Board decision 1997/14, para.2 (E/ICEF/1997/12/Rev.1), these amounts reflect the low projection budget. For details on variances between the 1998 actual results and the approved budget see note 26 (para. 44).

b/ Excludes field office commission, included under expenditures.

C. Notes to the financial statements

Note 1. Objectives and activities

5. PSD, in cooperation with National Committees for UNICEF, field offices and others, raises funds for children. Consequently, this makes people aware of UNICEF activities and gives them the opportunity to be involved in its work.

Note 2. Summary of significant accounting policies

6. The accounts are maintained in accordance with the Financial Regulations and Rules of the United Nations Children's Fund (E/ICEF/FINANCIAL RULES/1) and with the Financial Regulations and Rules of the United Nations Children's Fund, Special Supplement, Greeting Card Operation (E/ICEF/FINANCIAL RULES/1/Add.1).

7. The accounting period (fiscal year) of PSD is 1 January to 31 December, pursuant to Executive Board decision 1996/22 C.5 (E/ICEF/1996/12/Rev.1).

8. The accounts of PSD are incorporated into the UNICEF accounts as at 31 December. Consistent year-end cut-off procedures are in effect to incorporate PSD accounts into the UNICEF financial statements.

9. The accounting unit is the United States dollar. The equivalent in United States dollars of other currencies is established on the basis of the United Nations operational rates of exchange on the transaction date.

10. Deliveries to National Committees and other partners are recorded in local currencies converted into United States dollars at the United Nations exchange rate on the individual delivery dates. PSD gross proceeds are recorded in United States dollars at the resultant average exchange rates calculated on the basis of the rates used for deliveries. Actual cash collection is recorded in United States dollars at the United Nations rate in effect at the time remittances are received.

11. Assets and liabilities in currencies other than United States dollars are valued for accounting purposes at the prevailing United Nations rates of exchange. Any variance in valuation caused by fluctuation of those rates is accounted for as income or loss and included in the statement of income and expenditure under revaluation of assets and liabilities (exchange rate adjustment). An allowance of 10 per cent of non-United States dollar-denominated estimated outstanding accounts receivable as at 31 December may be established to cover the fluctuation of exchange rates. Further, an allowance for accounts receivable that are considered doubtful for collection may be established. These allowances are shown as a deduction from the accounts receivable on the statement of assets and liabilities.

12. The inventory of raw materials, work in process, finished goods for the following campaign and goods in transit are valued at standard cost. It is PSD policy to write-down unsold cards and dated products at the end of the first sales campaign year and all other products at the end of the second sales campaign year. Products which have been written-down and carried forward are valued at their add-on cost. All publicity and promotion materials produced in the current campaign year, but relating to future campaign years, are shown at standard cost and included in inventory.

13. Capital assets costing $100,000 or more are capitalized and depreciated over their estimated useful life.

14. Liabilities are accrued in the PSD accounts following recognized accounting standards, and appropriate cut-off procedures are consistently followed.

15. Income from private sector fund-raising activities and related expenses are recorded separately in the PSD accounts.

Statement I

Note 3. Gross proceeds — PSD products

16. Gross proceeds for 1998 amounted to $137.9 million compared to $147.1 million in 1997, a decrease of $9.2 million (6.3 per cent). This was due primarily to the negative impact of the continued strength of the United States dollar.

Note 4. Retention/commissions and direct expenses at UNICEF field offices

17. This item consists of the amounts retained by National Committees and other partners, commissions paid to consignees and direct operating expenses at UNICEF field offices. For 1998, this amounted to $36.1 million, a decrease of $0.5 million (or 1.4 per cent) compared to 1997. This decrease is due to lower gross proceeds in 1998. A breakdown is given below.

(In millions of United States dollars)

			Increase (decrease)	
	1998	*1997*	*$*	*%*
Retention/commissions	32.3	33.5	(1.2)	(3.6)
Field offices' expenses	3.8	3.1	0.7	22.6
Total	**36.1**	**36.6**	**(0.5)**	**(1.4)**

Note 5. Cost of goods delivered

18. The cost of goods delivered, including promotion materials, freight, duties and taxes, was $27.8 million, a decrease of $3.4 million (10.9 per cent) compared to 1997. This decrease comprised reductions in cost of goods delivered of $3.9 million (17.3 per cent) and cost of promotion materials of $0.2 million (3.2 per cent), offset by an increase in freight, duties and taxes of $0.7 million (26.9 per cent) compared to 1997. These decreases are due primarily to improved sales forecasting and a favourable product mix. Cost of goods delivered was 20.2 per cent of gross proceeds in 1998 compared to 21.3 per cent in 1997. Details are presented below.

(In millions of United States dollars)

			Increase (decrease)	
	1998	*1997*	*$*	*%*
Cost of goods delivered	18.6	22.5	(3.9)	(17.3)
Freight, duties, tax	3.3	2.6	0.7	26.9
Promotion materials	5.9	6.1	(0.2)	(3.2)
Total	**27.8**	**31.2**	**(3.4)**	**10.9**

Note 6. Operating expenses

19. The operating expenses amounted to $22.3 million in 1998 compared to $14.6 million in 1997. The increase was due primarily to the longer accounting period in 1998 (12 months versus 8 months in 1997). The expenses are summarized below.

(In millions of United States dollars)

			Increase (decrease)	
	1998	*1997*	*$*	*%*
Product sales	7.1	5.2	1.9	36.5
Operations and finance	14.6	8.6	6.0	69.8
Director's office	0.6	0.8	(0.2)	(25.0)
Total	**22.3**	**14.6**	**7.7**	**52.7**

Note 7. Provision for uncollectible accounts receivable

20. The $1.0 million provision for uncollectible accounts receivable consists of accounts receivable that may become irrecoverable. This is the same as 1997. Accounts receivable deemed to be irrecoverable are written-off against the allowance for uncollectible accounts receivable account. Nevertheless, PSD continues its efforts to pursue collection of these amounts.

Note 8. Other income

21. Other income is based on the actual income reported by partners by 31 December and comprises the following:

(a) *Income from licensed products*, which includes royalties from special programmes, income from Nippon Telegraph and Telephone Corporation's Pressed Flower Telegram Programme in Japan and income from the sale of National Committee products and other items;

(b) *Donations*, which represent contributions generated through PSD brochures/order forms;

(c) *Miscellaneous income*, which includes bank interest, discounts on purchases, sale of obsolete equipment and miscellaneous proceeds.

22. Other income in 1998 amounted to $5.9 million, an increase of $4.8 million compared to 1997. A comparison between 1998 and 1997 is summarized below.

(In millions of United States dollars)

			Increase
	1998	*1997*	*$*
Licensed products	2.8	0.8	2.0
Donations	1.7	0.1	1.6
Miscellaneous income	1.4	0.2	1.2
Total	**5.9**	**1.1**	**4.8**

Note 9. Net operating income — PSD products

23. For the 1998 campaign, the net operating income from the sale of UNICEF greeting cards and other products amounted to $56.5 million, a decrease of $8.3 million compared to 1997. This reduction was attributable mainly to the drop in gross proceeds, impacted negatively by the strength of the United States dollar.

Note 10. Net operating income — private sector fund-raising

24. In 1998, total net proceeds from private sector fund-raising activities reported by partners by 31 December amounted to $138.4 million for general resources, an increase of $95.3 million compared to 1997. This increase was due to the longer accounting period in 1998 (12 months versus 8 months in 1997).

25. As presented in the following table, the net operating income from private sector fund-raising activities related to general resources in 1998 amounted to $131.4 million compared to $37.4 million in 1997, an increase of $94.0 million. This was net of the amount retained by the National Committees, operating expenses related to private sector fund-raising activities, including field offices' expenses, and research and development.

26. In addition to the net operating income from private sector fund-raising activities related to general resources, $92.5 million were earmarked to various UNICEF supplementary-funded projects. This amount is shown as a footnote to statement I in this financial report and included as income in the UNICEF financial report.

27. To develop new methods and to test fund-raising campaigns in 1998, $1.6 million were spent for research and development. This amount was $0.2 million (11.1 per cent) lower than in 1997.

(In millions of United States dollars)

			Increase (decrease)	
	1998	*1997*	*$*	*%*
Net proceeds	138.4	43.1	95.3	221.1
Less				
Operating expenses	2.4	1.8	(0.6)	(33.3)
Field offices' expenses	2.9	2.1	0.8	36.2
Research and development	1.6	1.8	(0.2)	(11.1)
Net operating income	131.4	37.4	94.0	251.3

Note 11. Market Development Programme

28. In 1994, the Executive Board approved the establishment of MDP (E/ICEF/1994/13/Rev.1, decision 1994/A/9) with the goal of testing and evaluating new income-generating initiatives in the area of product line and marketing. For 1998, the Executive Board approved $2.8 million. Through this programme, interested National Committees submit requests for funding, supported with a complete project description and a marketing and financial plan. Upon approval of the project, PSD allocates the funds to the National Committees which, in turn, at least match the amount allocated while establishing a separate account for the transparent monitoring of the programme over the planned period. During 1998, 17 National Committees received approval for funding from MDP, with a total value of $2.4 million.

Note 12. Fund-raising Development Programme

29. To enable PSD to fulfil its mandate in private sector fund-raising activities, the Executive Board, at its 1994 session, authorized the further implementation of FDP for an additional five-year period and, at its 1998 session, approved $7.8 million for 1998. The objective of this programme was to increase the capacity of National Committees and UNICEF field offices to build a broader support base in raising funds from the private sector (see E/ICEF/1991/AB/L.6 and E/ICEF/1991/15, decision 1991/35). In 1998, the total expenditure for FDP was $6.4 million.

Note 13. Central and Eastern European National Committees Development Programme

30. In 1992, the Executive Board approved the Central and Eastern European National Committees Development Programme (E/ICEF/1992/AB/L.6 and E/ICEF/1992/14, decision 1992/40). Initially, the National Committees in this region were allowed to retain, in addition to the 25 per cent retention on gross proceeds, the remaining 75 per cent of gross proceeds as well. This increased retention was intended to cover expenditures for raising awareness, general advocacy, information dissemination, sales network expansion and donor constituency-building. According to the Executive Board-approved formula, starting in 1997, National Committees contribute 40 per cent to UNICEF, 60 per cent in 1998, and the usual 75 per cent of the gross proceeds in 1999 and thereafter. For 1998, the actual expenditure was $41,000 compared to $382,000 in 1997.

Note 14. Total net operating income

31. The total net operating income from PSD product sales and private sector fund-raising activities amounted to $179.1 million, an increase of $85.6 million (91.6 per cent) compared to 1997. This represents PSD net operating income before exchange rate adjustment and prior years' adjustments.

Note 15. Exchange rate adjustment

32. This represents the net adjustment for exchange rate, including a 10 per cent provision for exchange rate fluctuations on outstanding non-United States dollar accounts receivable, and the effect of the revaluation of assets and liabilities using the 31 December 1998 United Nations operational rate of exchange. The exchange rate adjustment in 1998 amounted to a loss of $3.3 million, an increase of $1.4 million when compared to the loss of $1.9 million in 1997.

Note 16. Prior years' adjustments

33. In accordance with existing PSD accounting policy, non-recurring adjustments to proceeds and expenditures related to prior years have been recorded as prior years' adjustments. For 1998, these adjustments amounted to a favourable $4.3 million.

Note 17. Total net income

34. After deducting the non-operating expenses, the total net income from product sales and private sector fund-raising activities in 1998 was $180.1 million, an increase of $86.5 million (92.5 per cent) compared to 1997.

Statement II

Note 18. Cash

35. Cash ($0.2 million) consisted of balances in PSD bank accounts and petty cash at headquarters and field offices.

Note 19. Accounts receivable

36. Accounts receivable include amounts due from National Committees and other partners for revenues from product sales, private sector fund-raising activities, and royalties and miscellaneous receivables. The gross accounts receivable as at 31 December 1998 were $159.0 million, an increase of $11.7 million over the balance as at 31 December 1997. Agreements with National Committees provide for payment of these balances within six months from the end of their respective fiscal years.

Note 20. Net accounts receivable

37. In accordance with PSD accounting policy (see para. 11 above), an allowance to cover accounts receivable that are considered doubtful for collection and an allowance to cover the impact of exchange rate fluctuation on accounts receivable held in non-United States dollar currencies may be established. For 1998, the total allowance for exchange rate fluctuation and estimated uncollectible accounts amounted to $16.3 million. Net accounts receivable after deducting this allowance amounted to $142.7 million.

Note 21. Inventory

38. Inventory is stated at standard cost (raw materials, work in process, finished goods and goods in transit) and amounted to $3.7 million, a decrease of $2.3 million compared to the balance as at 31 December 1997. The decrease in inventory levels is attributed to improved production and inventory management.

(In millions of United States dollars)

	1998	*1997*
Raw materials	1.7	2.1
Work in progress	–	1.2
Finished goods	2.0	2.0
Goods in transit	–	0.7
Total	**3.7**	**6.0**

Note 22. Prepaid expenses

39. These represented payments made to suppliers for the production of PSD products and promotion materials for 1999 and future campaigns. Prepaid expenses as at 31 December 1998 amounted to $0.1 million, the same as compared to the balance as at 31 December 1997.

Note 23. Capital assets

40. These are stated at cost, less accumulated depreciation (see summary of capital assets as at 31 December 1998 presented below). In accordance with PSD accounting policies, capital assets costing $0.1 million or more are capitalized and depreciated over their estimated useful life. The decrease of $0.3 million in capital assets over the balance as at 31 December 1997 was due to depreciation of machinery and office equipment and the amortization of leasehold improvements during the period.

	(In millions of United States dollars)	
	1998	*1997*
Production machinery	1.1	1.0
Office equipment and leasehold improvements	1.6	1.2
Subtotal	**2.7**	**2.2**
Accumulated depreciation	(1.9)	(1.1)
Total	**0.8**	**1.1**

Note 24. Accounts payable

41. Total accounts payable as at 31 December 1998 amounted to $11.3 million, an increase of $0.2 million compared with the balance as at 31 December 1997. Included in the total accounts payable were liabilities to suppliers and National Committees.

Note 25. Inter-office account

42. This reflects the net result of the transactions between PSD and other UNICEF offices. The balance included monies advanced as working capital to PSD. PSD earnings for each fiscal period are also transferred to UNICEF via this account.

Note 26. Surplus

43. The surplus generated in 1998 amounting to $180.1 million was transferred to UNICEF general resources income on 31 December 1998, whereas 1997 surplus was transferred to UNICEF after the closure of 1997 PSD accounts.

Statement III

Note 27. Comparison of 1998 actual results with budget

44. PSD performance in 1998 compared with the approved budget is as follows:

(a) Gross proceeds from the sale of PSD products were $19.1 million, or 12.2 per cent less than budget;

(b) National Committees' retention was $3.3 million, or 9.8 per cent less than budget;

(c) Net proceeds from the sale of PSD products were $15.8 million, or 12.8 per cent less than budget;

(d) Other income was $0.6 million, or 9.2 per cent less than budget;

(e) Total net proceeds related to product sales were $16.4 million, or 12.6 per cent less than budget;

(f) Net proceeds from private sector fund-raising activities were $5.4 million, or 4.1 per cent higher than budget;

(g) Total income was $11.0 million, or 4.2 per cent less than budget;

(h) Director's office expenditures were $0.1 million, or 14.3 per cent less than budget;

(i) Expenses related to marketing were $15.6 million, or 23.8 per cent less than budget;

(j) MDP expenditures were $0.4 million, or 14.3 per cent less than budget;

(k) FDP expenditures were $1.4 million, or 17.9 per cent less than budget;

(l) Expenditures related to operations and finance were $1.7 million, or 12.5 per cent less than budget;

(m) The PSD share in administrative costs were 0.2 million, or 33.3 per cent less than budget;

(n) Central and Eastern European National Committees Development Programme expenditures were $59,000 less than budget;

(o) Total expenditures were $19.4 million, or 21.3 per cent less than the budget of $91.2 million;

(p) Total net income before adjustments was $180.1 million (4.9 per cent) higher than the budget of $171.7 million;

(q) The total net income after adjustments was $8.4 million (4.9 per cent) higher than the budget of $171.7 million;

(r) Proceeds from private sector fund-raising activities earmarked for supplementary-funded programmes were $14.5 million (13.6 per cent) less than budget;

(s) The total net revenues for both general resources and supplementary funds were $6.1 million (2.2 per cent) less than budget.